

022.33

In 2 pamph-

REF

PAMPHLET FILE

THE TRUTH  
ABOUT  
COAL MINING  
IN  
INDIANA



REFERENCE  
DO NOT CIRCULATE



## PREFACE

ON April 1st, 1927, operation at the mines of members of the Indiana Bituminous Coal Operators Association was suspended pending the negotiation of a new wage scale. In order to place the facts before the miners and the public in the mining communities, the Operators Association published a series of ten statements in the local newspapers. An Official Reply was attempted by the Officers of District No. 11, of the United Mine Workers of America. The Operators then further analyzed the situation in a second series of seven statements along the lines of the miners' reply. A second reply was made by the Officers of District No. 11, and a third series of four statements were issued by the Operators.

For the benefit of those interested in coal mining, all of these statements and replies are now published in sequence in this pamphlet.

We recommend the careful reading of the entire pamphlet to any one interested in the coal mining industry in Indiana.

**Indiana Bituminous Coal Operators  
Association**

OPERA HOUSE BLOCK  
TERRE HAUTE, IND.



# The Truth About Coal Mining in Indiana



Containing a Discussion of the Coal Mining Situation in Indiana in 1927 by The Indiana Bituminous Coal Operators Association and Officers of District No. 11 U. M. W. of A.

*Issued by*

**The Indiana Bituminous Coal Operators  
Association**

**OPERA HOUSE BUILDING  
TERRE HAUTE, INDIANA**

**1927**

# INDEX

|  | <i>Page</i> |
|--|-------------|
| FIRST SERIES OF STATEMENTS BY OPERATORS.....                                     | 3           |
| Announcement—What is Wrong in Indiana?.....                                      | 3           |
| Statement No. 1. Isn't This a Fine Record?.....                                  | 5           |
| Statement No. 2. Then the Trouble Commenced.....                                 | 7           |
| Statement No. 3. Look at the Pay Envelopes.....                                  | 9           |
| Statement No. 4. Where is Our Coal Sold?.....                                    | 10          |
| Statement No. 5. Who Sets the Price in the Sale of Coal?.....                    | 11          |
| Statement No. 6. Freight Rates and Selling Prices.....                           | 13          |
| Statement No. 7. The Tail Cannot Wag the Dog.....                                | 15          |
| Statement No. 8. What Can We Do?.....  | 17          |
| Statement No. 9. What Does the Miner Gain by This Suspension?.....               | 19          |
| Statement No. 10. How Long Can You Swim Upstream?.....                           | 21          |
| FIRST REPLY OF UNITED MINE WORKERS.....  | 23          |
| SECOND SERIES OF STATEMENTS BY OPERATORS.....                                    | 29          |
| Statement No. 11. The Official Reply.....  | 29          |
| Statement No. 12. Are You Afraid to Face the Truth.....                          | 31          |
| Statement No. 13. Production in 1927.....  | 35          |
| Statement No. 14. Costs and Selling Prices in 1920.....                          | 38          |
| Statement No. 15. Over-development and Average Yearly Earnings.....              | 41          |
| Statement No. 16. Freight Rates.....   | 43          |
| Statement No. 17. Negotiations, Joint Conferences, Collective<br>Bargaining..... | 45          |
| SECOND REPLY OF UNITED MINE WORKERS.....   | 48          |
| THIRD SERIES OF STATEMENTS BY OPERATORS.....                                     | 55          |
| Statement No. 18. Profits.....   | 55          |
| Statement No. 18. Increased Work with Reduced Scale.....                         | 56          |
| Statement No. 18. Over-development.....  | 56          |
| Statement No. 18. Profits of Individual Companies.....                           | 56          |
| Statement No. 19. Hazards of the Industry.....                                   | 57          |
| Statement No. 19. Operators' Motives.....  | 57          |
| Statement No. 19. Strip Mining.....  | 58          |
| Statement No. 20. Negotiations.....  | 59          |
| Statement No. 21. Conclusion.....  | 61          |
| THE OPERATORS' POSITION.....   | 65          |

## SERIES OF STATEMENTS

*Issued by Indiana Bituminous Coal Operators Association  
and Published in Local Newspapers in Mining  
Communities of Indiana.*

### ANNOUNCEMENT

## What Is Wrong in Indiana?

With thousands of miners laying idle, thousands leaving the coal-producing districts of Indiana and seeking employment elsewhere, the mining communities of Indiana cannot help but feel the depressing effects of such an unfavorable situation. During the calendar year 1926, the purchasing power of the shaft miners of Indiana was \$18,000,000 less than in 1920. During the calendar year 1927, it is much lower than in 1926.

In January 1927, there were only 121 shaft mines in operation as against 187 in January, 1923. Today, practically none of the major shaft mines of the state are operating. What is the trouble? What conditions have brought about this crisis? Why are other coal-producing states prosperous while Indiana suffers from depression?

These questions and many others of a similar nature are before the miner, the operator, the citizens of the mining communities, the merchants, the landlords, the bankers, and business men of every description.

The Indiana Bituminous Coal Operators Association has made a searching investigation and a careful study of the economic conditions bearing on this situation. The operators propose to publish a series of ten statements for the information, scrutiny and analysis of the miner, the merchant and the business man. Figures used are mainly taken from public documents of the United States Geological Survey,

the Illinois Freight Association, and the Department of Mines and Mining of Indiana.

The operators propose to lay the facts before the public at large with the full confidence that there is no controversy between shaft operator and shaft miner in Indiana, and they should not be quibbling with each other. On the other hand, we are confronted with a fight to the very point of extermination, in which the Indiana miners and operators should stand side by side against the overwhelming odds of competing coal-producers on all sides.

The Indiana Bituminous Coal Operators Association is willing and glad to prove every statement made and quote official authority for each figure used. They will be glad to discuss this situation with any interested party or parties, and invite a full and complete discussion by all interested parties of every phase of the situation. The best brains in our industry are required to find an equitable solution of this problem, and it will never be accomplished unless and until the miner and operator join hands against their competitors instead of attempting to settle their difficulties thru attempts to place the responsibility on each other.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

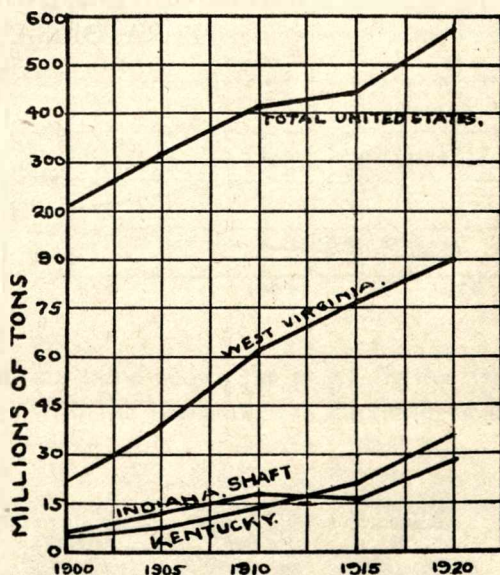


STATEMENT NUMBER ONE

## Isn't This a Fine Record?

From 1900 to 1920, Indiana shaft miners kept pace with all other fields and with the nation as a whole. Indiana miners and operators with competitive production costs, efficient management, modern mines and good natural mining conditions, and proximity to the market demonstrated their ability to produce and market Indiana coal in their natural market against all competing fields.

The following chart shows graphically the growth of the industry in the United States, the two principal non-union states of West Virginia and Kentucky, and shaft mines of Indiana during the twenty year period from 1900 to 1920:



### *The Truth About Coal Mining in Indiana*

---

The following table gives the exact figures used above, together with the percentage of increase in 1920 over 1900:

| In<br>Year<br>Of     | The Miners of<br>The United States<br>Produced | The Miners of<br>West Virginia<br>Produced | The Miners of<br>Kentucky<br>Produced | The Shaft Miners<br>of Indiana<br>Produced |
|----------------------|--|--|---------------------------------------|--|
| 1900                 | 212,316,112                                    | 22,647,207                                 | 5,328,964                             | 6,484,086                                  |
| 1905                 | 315,062,785                                    | 37,791,580                                 | 8,432,523                             | 11,895,252                                 |
| 1910                 | 417,111,142                                    | 61,671,019                                 | 14,623,319                            | 18,389,815                                 |
| 1915                 | 442,624,426                                    | 77,184,069                                 | 21,361,674                            | 16,367,932                                 |
| 1920                 | 568,666,683                                    | 89,970,707                                 | 35,690,762                            | 27,994,066                                 |
| Per Cent<br>Increase | 167.80%  | 297.30%                                    | 569.75%                               | 331.70%                                    |

In these twenty years, the Indiana miners received their fair share of the work and fair wages. The tonnage of Indiana increased much more rapidly than the United States as a whole and much more rapidly than West Virginia. Mining towns sprung up and thrived through-out the coal-producing districts of Indiana. These facts demonstrate conclusively that with competitive conditions Indiana miners and operators were able to hold their own with competing districts. In our next statement, we will bring these figures down to date.

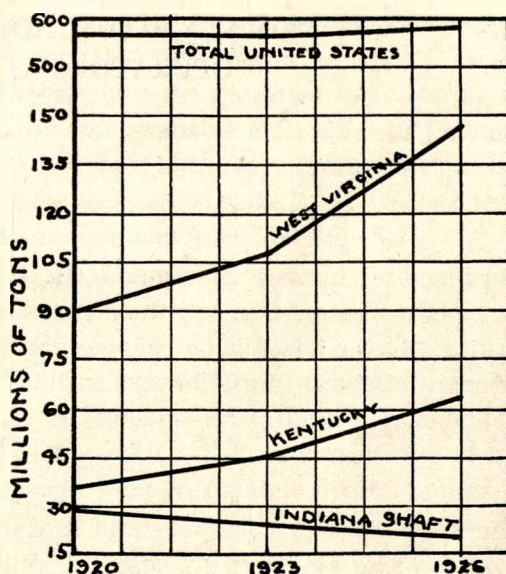
INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION



STATEMENT NUMBER TWO

## Then the Trouble Commenced

The following chart shows graphically the development of the coal industry in the United States, West Virginia, Kentucky and the shaft mines of Indiana from 1920 to 1926, inclusive:



The following table shows the exact figures used in the above chart, together with the percentage of increase or decrease between 1920 and 1926:

| In Year Of                    | The Miners of The United States Produced | The Miners of West Virginia Produced | The Miners of Kentucky Produced | The Shaft Miners of Indiana Produced |
|-------------------------------|--|--------------------------------------|---------------------------------|--------------------------------------|
| 1920                          | 568,666,683                              | 89,970,707                           | 35,690,762                      | 27,994,066                           |
| 1923                          | 564,504,662                              | 107,899,941                          | 44,670,832                      | 24,147,293                           |
| 1926                          | 578,290,000                              | 147,209,000                          | 63,330,000                      | 19,337,551                           |
| Per Cent Increase or Decrease | 1.70% Gain                               | 63.60% Gain                          | 77.40% Gain                     | 30.90% Loss                          |

## *The Truth About Coal Mining in Indiana*

---

*In the six-year period following 1920, the Indiana miner has lost his turn. He did not receive his fair share of the work. Thousands of miners have had to seek other employment, some in other industries, some in the non-union fields of Kentucky and West Virginia at much lower wages. Thousands of others have been out of work for long periods of time. These same mining towns that were so prosperous and happy in 1920 have in six short years reached the point where ruin is staring them in the face unless something drastic is done.*

The figures you can verify. The statements of conditions you know to be true.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER THREE

## **Look at the Pay Envelopes**

During the year 1920, the shaft miners of Indiana received in wages approximately \$48,000,000 with a lower wage scale part of the year. This tremendous sum of money was spent in the mining communities by the miners to buy food, clothing, shelter and amusements for themselves and their families.

During the year 1926, the shaft miners of Indiana received only approximately \$30,000,000, even though a higher basic wage scale applied through-out the entire year. It is unnecessary to point out the depressing effect on the mining communities as a result of the loss of \$18,000,000 in wages each year.

Now, let us see how the operators fared during this period. Accurate figures are only available for 1923. In January, 1923, in Indiana, there were 187 shaft mines in operation with railroad connections. These mines had a daily rated capacity of 169,842 tons, and furnished employment to approximately 29,000 miners.

On account of an abnormal demand for coal caused by the English strike and heavy storing of coal by industrial consumers, it is safe to say every shaft mine in Indiana which could be placed in operation without a prohibitive expenditure of time and money was running in January, 1927. In January, 1927, there were only 121 shaft mines in operation in Indiana, with a daily rated capacity of 118,098 tons, furnishing employment to approximately 20,000 miners.

The difference between January, 1923, and January, 1927, was 66 shaft mines with a capacity of 51,744 tons per day, represented by mines abandoned and lost forever to the industry in Indiana, and also representing a loss of employment to approximately 9,000 miners. During this period, 27 shaft mines with a daily capacity of 22,145 tons and furnishing employment to approximately 3,800 men became insolvent and were forced into receiverships.

Operators who have survived have made no money in the last three years, and the majority have incurred heavy losses.

Isn't it time we did something drastic and effective to place Indiana miners and operators in their rightful position in the coal industry?

**INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION**



it will be seen that Indiana operators have been losing both business and money.

There is only one possible way to sell coal or any other commodity and that is to make the coal, the freight rate, the service and the price at least equally attractive to the buyer with other coal-producing districts. Indiana miners and operators were successful in this fundamental principle of business from 1900 to 1920, with the splendid results set forth in our Statement Number One. Since 1920, the United Mine Workers of America have refused to recognize this principle, with the disastrous results set forth in Statement Number Two.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

**STATEMENT NUMBER SIX**

## **Freight Rates and Selling Prices**

The railroads serving Indiana mines have been repeatedly and severely criticised for inequitable freight rates. The operators of Indiana as well as other states have likewise been repeatedly and severely criticised for selling coal below cost of production.

### **FREIGHT RATES**

The present freight rate structure has been built up over a period of years. Every consuming point has freight rates from every practical producing district in order to permit full and free competition among producing districts. We feel that freight rates on the longer hauls from West Virginia and Kentucky are too low to our natural markets in comparison with rates on Indiana coal. This condition was brought about by three factors:

1. The natural desire of consumers to obtain the lowest rates from each field.
2. The desire of the railroads serving mines in Kentucky and West Virginia to find a wider outlet for their ever-increasing production.
3. The desire of the Interstate Commerce Commission to give northern markets ready and economical access to as many producing districts as possible.

The constantly recurring strikes and suspensions in union fields have likewise aggravated this situation. The operators are doing everything in their power to secure a more equitable adjustment of freight differentials for Indiana coal. The fact that even with equitable differentials Indiana coal would not be competitive is the greatest stumbling block we have encountered in fighting rate cases.

### **SELLING PRICES**

Miners do not understand, as a rule, how freight rates and selling prices influence the buyer in deciding where to buy his coal. The fol-

## *The Truth About Coal Mining in Indiana*

lowing Chicago market quotations were taken from the Black Diamond under various dates selected at random, but are typical of the situation through-out the entire year 1926:

|                       | Western<br>Kentucky<br>Mine Run<br>F. O. B. Mines | Indiana<br>Shaft<br>Mine Run<br>F. O. B. Mines |
|-----------------------|---|--|
| June 12, 1926 .....   | \$ .95 to \$1.25                                  | \$1.90 to \$2.00                               |
| August 21, 1926 ..... | .90 to 1.25                                       | 1.90 to 2.10                                   |
| October 2, 1926 ..... | 1.05 to 1.35                                      | 1.90 to 2.10                                   |

Adding to these prices respective freight rates of \$2.20 on Western Kentucky coal to Chicago and \$1.70 from the Linton-Sullivan group in Indiana to Chicago, we have the following quotations, delivered at Chicago:

|                       | Western<br>Kentucky<br>Mine Run<br>F. O. B. Chicago | Indiana<br>Shaft<br>Mine Run<br>F. O. B. Chicago |
|-----------------------|---|--|
| June 12, 1926 .....   | \$3.15 to \$3.45                                    | \$3.60 to \$3.70                                 |
| August 21, 1926 ..... | 3.10 to 3.45  | 3.60 to 3.80                                     |
| October 2, 1926 ..... | 3.25 to 3.55  | 3.60 to 3.80                                     |

*It is apparent from these figures that during the greater part of the year, the cheapest Indiana shaft mine run coal that could be bought cost more delivered in Chicago than the most expensive West Kentucky mine run coal. The cheapest Indiana coal was quoted below cost of production.*

*With these figures in mind, is there any wonder Indiana operators attempting to meet these situations went bankrupt? Is it any wonder 6,000,000 tons of West Kentucky coal moved north of the Ohio River in 1926 to displace the product of union miners?*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION



STATEMENT NUMBER SEVEN

## **The Tail Cannot Wag the Dog**

In 1920, the United Mine Workers of America mined over 60 per cent of the bituminous coal of the United States. All of Pennsylvania, Ohio, Indiana, Illinois, Iowa, Missouri, Arkansas, Oklahoma and parts of Western Kentucky and West Virginia were union. The union miners had every advantage—better mines, closer market, better railroads, more tonnage per man, and consequently higher earning capacity. Under these ideal conditions, the union majority could dominate and control the non-union minority. Just as long as its policies and demands conformed to the economic laws, it easily retained its balance of power. With every possible advantage, the United Mine Workers of America could have continued to dominate in increasing measure the bituminous coal production of the United States. It needed but one thing—namely, a flexible policy wisely designed to conform to the economic laws and flexible enough to meet changing conditions.

This it did not have. Its leaders attempted to enforce their inflexible will upon the entire industry and have almost succeeded in accomplishing the disintegration of the union. Ohio operators have announced their intention to operate non-union after July 15th. West Kentucky has gone non-union, all the union districts of West Virginia have gone non-union. Practically all of Pennsylvania has gone non-union and has resisted every possible effort on the part of the United Mine Workers of America to re-organize them. Why should they join the union as long as they are working steadily, developing the industry in their respective districts, earning fair wages, taking care of their families, and are happy, thrifty and prosperous? They know full well the fundamental basis of their happiness and prosperity is the short-sighted policy of the United Mine Workers of America. Why should they join an organization which is rapidly strangling the mines under their domination and causing a steady and continuous shift of tonnage from the union fields to the non-union fields? They are working, making good wages, and are happy, while Indiana miners lay idle insisting upon a non-competitive wage scale which means absolutely nothing since the public will not buy their coal.

*Today the dues-paying membership of the United Mine Workers of America is but a fraction of that of former years. The operators who dealt with the union have paid dearly for such dealings. Hundreds of mines abandoned, millions of tons of coal each year lost to non-union competitors—no, this is not a fight between the operators and the miners in Indiana. It is a conscientious effort to make the hardworking, home-loving, right-thinking man with the pick see where his leaders have led him.*

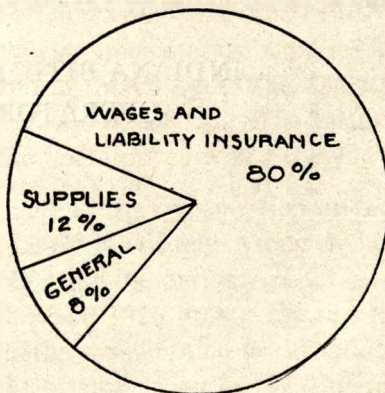
The tail cannot wag the dog. The hopeless minority of the union miners cannot dominate or control the tremendous majority of non-union miners, nor can you organize them as long as they have every advantage over you by remaining non-union.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER EIGHT

## What Can We Do?

The following plate shows the manner in which the direct out-of-pocket operating cost of the shaft mines in Indiana is divided:



This does not take into account depletion, depreciation, bond interest, federal taxes nor profit of any kind to the operator. You will note the wages paid to the miner, plus premiums on liability insurance, constitute 80 per cent of the operating cost of Indiana shaft mines, supplies 12 per cent, and general expenses, such as insurance, county and state taxes, supervision, accounting, and selling, constitute 8 per cent.

With the miner receiving in wages 80 per cent of the direct cost of producing coal, it is obvious that miners' wages in different fields must be competitive if the selling price of the coal is to be competitive and if the operators are to continue to furnish employment for miners in Indiana. The other items of cost are relatively so small and have been pared to the extreme limit, so that no further saving can be made.

*This is not a fight between Indiana operators and Indiana miners, or his union, nor between Indiana operators and other operators. It is purely and simply a question for Indiana miners to decide. They must decide for themselves, and so instruct their officials, whether*



*they want to continue the steady and certain strangling of the shaft mines in Indiana with all the unemployment, poverty and misery that goes with it, or whether they want to meet the issue squarely and fairly, take drastic measures to meet the non-union miner and beat him at his own game. We have every advantage in the way of markets, natural mining conditions, pleasant working conditions, better mines, better equipment—everything in fact, but the fundamental essentials which are: a competitive wage scale, competitive conditions of contract, and the flexibility of policy necessary to meet changing conditions.*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER NINE

## What Does the Miner Gain by This Suspension?

John L. Lewis, President of the United Mine Workers of America, in a newspaper interview in Pittsburgh, stated in substance that the bituminous coal consumption of the United States was 11,000,000 tons per week, and production was 8,000,000. If this were true, American industry would be drawing upon storage supplies at the rate of 3,000,000 tons per week and in fifteen weeks the 75,000,000 tons in storage piles would be reduced to 30,000,000. The resulting market stimulation would compel the operators to renew the Jacksonville scale.

The trouble is, neither the consumption or production figures are correct, hence Mr. Lewis is entirely wrong in his conclusions. The average coal production for the period April 1st to July 30th, for the three years 1924, 1925 and 1926, was 8,322,134 tons per week. This figure also represents the consumption or demand. Production during the first twelve weeks of suspension in 1927 averaged 8,217,800 tons.

*As a matter of fact, the public is buying all of the coal it needs. There are very few consumers using their storage. There is almost as much storage coal on the ground today, after fifteen weeks suspension as there was on April 1st, 1927. Non-union mines have lost time on account of no market for their coal. The prices are lower than they were when the suspension began.*

A fair example of this condition is the case of a railroad which was one of the largest consumers of Indiana coal. They have fifty days' supply on the ground which has not been touched and a total of 4,200 cars of coal in cars mined by non-union miners, constituting another 26 days' supply. A normal supply in cars at this time of the year would be 6 days, or 966 cars.

Non-union mines have not only produced all the coal needed but have shipped almost double the coal to the lakes in April and May this year as compared to last year. A careful, comprehensive check, mine by mine, made by the American Railway Association discloses the fact that mines which were non-union in December, 1926, can produce

almost 10,000,000 tons per week. Many more have gone into operation on a non-union basis since then. If we expect the United States to consume more coal than can be produced by non-union miners, we are doomed to a very great disappointment. Our suspension will not make us a market nor will it make it possible for us to pay the present non-competitive wage scale now or six months from now.

*All we are doing is allowing non-union miners and strip mine employees to produce coal for our market while we pursue a foolish policy that leads but to disaster.*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION



STATEMENT NUMBER TEN

## How Long Can You Swim Upstream?

Through this series of statements, we have traced the production of shaft coal in Indiana from a modest beginning in 1900 to a splendid peak in 1920. We have also traced it from the peak in 1920 down to the pitiful level of 1926.

Here then, is the picture—thousands of miners thrown out of employment, whole mining communities impoverished and desolate, property values declining, houses empty, mines abandoned, mining companies bankrupt, millions lost and the entire industry in Indiana attempting to swim upstream and floating steadily backward—non-union miners in Kentucky, Pennsylvania and West Virginia increasing their production by leaps and bounds, busy and happy while Indiana miners sit idly by insisting upon an impractical wage scale.

It is alleged the coal industry had too many mines and too many miners as a result of war conditions, and many mines must be abandoned and miners seek other employment. Whether this allegation be true or not, the Jacksonville scale is accomplishing this purpose. *The only difficulty is, the miner in union territory is doing all the deflating and the miner in non-union fields is reaping the harvest.*

The operators have been accused of refusing to make a definite statement as to the wage scale they consider necessary to permit shaft miners in Indiana to compete with non-union miners.

At a joint meeting of the scale committees on the 3rd of May, representing United Mine Workers of District 11 and the members of this association, we offered for their consideration the scale of 1917, which was rejected. The wages set forth therein are:

\$ .84 per ton pick mining  
    .72 per ton machine mining  
5.00 per day for inside labor.

If we expect to operate our mines, this scale, or approximately so, must obtain and with it we could probably hold our own in our respective markets.

## *The Truth About Coal Mining in Indiana*

---

We also feel the entire contract should be revised in joint state convention in order to meet modern conditions of mining.

*The time has come when the operators and miners in Indiana must take drastic measures if we are to save what is left of the shaft mines in Indiana.*

*Isn't it about time the operators and miners sat down in a real joint conference, unprejudiced and unbiased, unhampered by an impractical and unworkable policy, and endeavor to find a practical method of meeting competition which is rapidly, but nevertheless surely, bringing utter ruin to the shaft coal industry in Indiana?*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

*Reprint from the Bicknell Daily News, July 29, 1927*

## **Reply of the United Mine Workers of America, District No. 11, to Propaganda of the Indiana Coal Operators**

The Indiana Coal Operators are attempting to create favorable public sentiment for themselves by misleading statements in a series of advertisements appearing in the press in various sections of our State, especially in the mining communities.

They make it impressive that the coal situation today is a matter of public interest and ask the public to read their prepared statements and then draw their own conclusions. We assert that the various statements are misleading and contradictory, and will explain by facts and by statements of Indiana coal operators themselves.

They contend that 1920 was the dividing point and prior to that time the Indiana coal industry was able to meet competition and develop but since 1920 they have lost what they had (except a few thousand dollars which they will use in misleading advertisements), yet, their same argument about non-union production of West Virginia and Kentucky has been used in joint conference in many years prior to 1920.

The production record for the years from 1914 and including 1926 shows that Indiana has held its proportionate share of production in the United States.

**THE FOLLOWING TABLE OF COAL PRODUCTION  
TELLS THE STORY:**

| Year | Total U. S.<br>Production | Indiana<br>Production | Total Per Cent<br>U.S. Pro-<br>duction |
|------|---------------------------|-----------------------|--|
| 1914 | 422,703,970               | 16,641,132            | 03.9                                   |
| 1915 | 442,624,426               | 17,006,152            | 03.8                                   |
| 1916 | 502,419,682               | 20,093,528            | 04.                                    |
| 1917 | 551,790,563               | 26,539,329            | 04.8                                   |
| 1918 | 579,385,920               | 30,678,634            | 05.3                                   |
| 1919 | 465,860,058               | 20,912,288            | 04.5                                   |
| 1920 | 568,666,683               | 29,350,585            | 05.1                                   |
| 1921 | 415,921,950               | 20,319,509            | 04.89                                  |
| 1922 | 422,268,099               | 19,132,889            | 04.5                                   |
| 1923 | 564,564,662               | 26,229,099            | 04.6                                   |
| 1924 | 483,686,528               | 21,480,213            | 04.4                                   |
| 1925 | 520,052,741               | 21,224,966            | 04.1                                   |

Indiana produced 22,839,000 tons during 1926.

You will note 1916 and during and immediately following the war period Indiana enjoyed an abnormal market, as did all other mining states, and the year 1920 which the operators take as a basis of their normal years was a peak year for profits. The labor costs as given by the operators themselves in reports to the State Department of Mines and Mining for the year 1920 was \$1.40 per ton and their statement Number Eight of their advertising shows that eighty per cent of the production cost of coal is the labor cost; twelve per cent for supplies and eight per cent for general expenses, hence, the finished cost would be \$1.75 in 1920 and during this period most of the coal shipped was sold from \$5.00 to \$8.00 per ton. Many operators refused to ship on contract to regular customers. It was a banner year and it can easily be recalled what coal sold for to the consumer.

All statements of the operators are to the effect that wage scales of miners in Indiana prevent them from operating, and we here show government reports on production of coal for week ending July 2nd, 1927:

Total production for week ending:

|              |              |
|--------------|--------------|
| July 2, 1927 | 212,000 tons |
| July 3, 1926 | 311,000 tons |
| July 4, 1925 | 277,000 tons |

With the corresponding production for this period in 1925 and 1926, Indiana is now almost normal and this production is from many of the high cost mines of the State that can operate and meet competition and make a profit, regardless of the fact that on April first there was on hands over ninety million tons of storage coal.



The mining industry is vastly over-developed. This over-development is to a great extent due to the capital invested and the opening up of many abandoned mines to take advantage of war-time prices on coal. It cannot in any way be attributed to the coal miner, neither can the cut-throat competition resulting from over-development be laid to the "miner's door," but the operators have enjoyed big profits on their investment and cannot be satisfied now with normal pre-war profits. Apparently they do not desire to consider anything that resembles a decent standard of living for the men employed in the industry when the peak earnings of the miner in the best year from 1912 to 1926 is only \$1,450.00 and this wage is far better than their average yearly earnings and much better than the earnings of the non-union miners of the banner states which the operators cite as their example. Many of the mines that are classified as mines today would have been abandoned in the pre-war times because they are worked-out properties or have extremely bad physical conditions, yet, some operators are holding these properties thinking, no doubt, that there is a chance to get still further profits or that there may be another war.

Indiana operators are citing the development of the coal industry in Kentucky and West Virginia. We hold that from 1916 to date the industry in Indiana has developed far greater than either Kentucky or West Virginia in proportion to the coal area of each state. The over-development and deplorable condition caused by cut-throat competition exists in all mining states. There are more mines that are unable to operate in Kentucky or in West Virginia than you will find in Illinois or Indiana, and there are more coal companies by far that have gone in bankruptcy in Kentucky and West Virginia than you will find in Illinois and Indiana.

The mine workers cannot assume the burden of an over-development cut-throat competition and railroad-controlled industry. We assert that it is not wage schedules, as held by the Indiana operators, that is hurting the Indiana coal industry, but we are handicapped by discriminatory freight rates fixed by politicians and railroad companies.

### **DISCRIMINATORY FREIGHT RATES**

Since 1915 the freight rates on coal from Kentucky and West Virginia to the Chicago market have been increased but about 60 per

cent, while during the same period the rates on Indiana coal have been increased over 107 per cent.

Mr. Bently, traffic manager for the Illinois Steel Company, testified at a government hearing on freight rates that the low rates on coal from Eastern Kentucky and West Virginia to the Chicago district were made in order to enable the steel mills in the Chicago district to develop in competition with mills in the Pittsburgh district.

Indiana operators and members of the Indiana Bituminous Coal Operators' Association testifying at a freight rate hearing held by the Interstate Commerce Commission, said: "The higher labor costs (meaning comparison with the non-union fields) has been a serious blow to the Indiana coal fields, but it is less injurious than the changes in the freight rate relations. The carriers have used their power to control rates with far less mercy than have the United Mine Workers in their control of labor costs."

Another member of the Operators' Association testified: "I have had considerable to do with the labor situation in Indiana and Illinois. I know that the labor situation is not the sole cause of the present condition obtaining in the Illinois and Indiana coal industry. Any reduction of course, in the labor scale would to the extent of that reduction give some relief, but a readjustment of the freight rates is even more essential."

The politicians and the railroads are controlling the freight rate situation and are attempting to reduce the mining industry of Indiana to the level of the non-union fields in their attempt to continue advantages given to non-union coal production and are assisted by representatives of the Coal Operators' Association, who know they deliberately misrepresent living conditions in the non-union mining sections when they advertise that the non-union miners are happy, thrifty and prosperous. According to a report made public by the United States Bureau of Labor Statistics recently, men loading in the non-union fields in Tennessee received an average of about \$27.68 per month, while the Indiana loaders received \$81.25 per month in the year 1926. This shows that the Union Miners are making more money than do the non-union miners, while they work less. This, of course, absolutely contradicts the advertising of the operators as to the prosperity of the non-union miner.

Why don't they impress the public with facts on freight discrimination that they testify to under oath, and show that the coal industry of Indiana is not getting a "square deal" in freight rates?

### HUMAN TOLL

The mining industry is one of the most hazardous industries in America and the toll of human life given to society through this industry has been appalling. In the United States of America the human sacrifice is more than twice as great for men employed as will be found in any other mining country on the face of the globe. Two great explosions occurred in the mines in Indiana in 1925 and 1926, and in the twinkling of an eye 87 lives were snuffed out, leaving many dependents and many others were permanently injured and horribly disfigured. In Indiana last year 4,494 injuries occurred and this is a decrease over previous years.

In the last ten years more than 25,000 miners have been killed in this country. In 1926, 349 miners were killed in the following mine explosions:

|                           |         |
|---------------------------|---------|
| Wilburton, Okla. ....     | 91 dead |
| Farmington, W. Va. ....   | 19 dead |
| West Frankfort, Ill. .... | 5 dead  |
| Helena, Ala. ....         | 27 dead |
| Horning, Pa. ....         | 21 dead |
| Nelson Creek, Ky. ....    | 8 dead  |
| Eccles, W. Va. ....       | 19 dead |
| Port Carbon, Pa. ....     | 5 dead  |
| Kingston, Pa. ....        | 7 dead  |
| Moffat, Ala. ....         | 9 dead  |
| Klymer, Pa. ....          | 44 dead |
| Tahoma, Okla. ....        | 16 dead |
| Rockwood, Tenn. ....      | 27 dead |
| Nanticoke, Pa. ....       | 9 dead  |
| Moundsville, W. Va. ....  | 5 dead  |
| Francisco, Ind. ....      | 37 dead |

This does not include many fatalities in minor explosions killing less than five men. The Mine Worker takes his "life in his hands" every time he enters a mine to produce coal. Statistics compiled by the U. S. Bureau of Mines shows that Indiana from 1915 to 1925 had



a fatality rate per one thousand workers employed of 4.19 per cent, and the fatality rate is even greater in the non-union sections of the United States where miners have no way of protecting themselves by collective action but are dealt with as individuals.

The hazard of the mining industry is great and the wages earned per annum is disgraceful considering the living costs, and yet the operators are trying to force further reduction and there has been no reduction whatsoever in the cost of living. The spokesman of the Indiana Coal Operators in a letter sent out to the various coal miners of the State says: *"If a contract were signed at a less rate the operators could not promise you steady work. If they promised it they cannot make good."* He has here told the truth, and there would not and could not be any stabilization of the coal industry via a reduction in wage in Indiana because further reductions would be made upon men who have no way of protecting themselves and if the coal was mined for nothing there would not be any more coal consumed.

In 1922 the Indiana Operators with other operators of the Central Competitive Field refused to meet the United Mine Workers to negotiate a new wage scale, and sat idly by for practically five months and allowed their markets to slip from them. In Statement Number Nine of the Indiana Coal Operators they agree that they are still pursuing that foolish policy that leads but to disaster, and admitted in a recent conference that they were filling their contracts with non-union coal, but have told their customers that they expect to be able to furnish Indiana coal before fall, which cannot lead to anything but disaster in the Indiana coal fields, regardless of the scale of wages paid.

The Mine Workers are now and have been ready to meet in Joint Conference and had invited the operators to meet in joint conference, but they preferred a scale committee meeting and in said scale committee meeting there was no earnest effort on the part of the operators to negotiate a contract and the meeting was adjourned on a motion and seconded by the coal operators.

Knowing all the facts, the Mine Workers cannot conceive of how any intelligent and fairminded person could figure on stabilizing the industry by forcing a reduction in wages.

WILLIAM MITCH, Secretary-Treasurer.

HARVEY CARTWRIGHT, President.

JAMES H. TERRY, Vice-President.



## Second Series of Seven Statements by the Operators Analyzing the Official Reply of the Officers of District No. 11, United Mine Workers of America.

STATEMENT NUMBER ELEVEN

### The Official Reply

Officials of District No. 11, United Mine Workers of America, addressed the following open letter to their members:

"Notice to Members:

"The officers of District No. 11 of the United Mine Workers of America would, when the time presents itself, appreciate the opportunity of answering the series of advertisements being published by the Operators' Association. These statements effect the interests of the local coal industry generally, and for this reason we ask that the miners refrain from promiscuous newspaper discussion of the matter until the District Officials have presented their answer. This may avoid some confusion, and will provide an official reply to all technical points and all conditions involved in the question.

HARVEY CARTWRIGHT, President,  
WM. MITCH, Secretary."

The promised "official reply to *all* technical points and *all conditions* involved in the question" has now been published. Careful study of this reply reveals nothing but misleading and confusing figures on *some* technical points. So far as "*all conditions*" are concerned, they have had nothing to say. Are we to understand by their silence, they are admitting the unanswerable truths in Statements Numbers Four, Five, Six, Seven and Nine of the Operators? *Knowledge of the correct figures, together with the extremely obvious failure to even attempt a discussion of the fundamentals, will lead you inevitably to the conclusion that your officers have a bad case. They have not attempted to dispute a single statement of fact made by the operators. They have ignored the tremendous increase in non-union coal and strip mine coal in our markets, and the corresponding decrease in union shaft mined coal.*

Ignoring disagreeable truth will not improve your situation. *You miners and your officers are face to face with the most serious eco-*

*nomical situation in the history of your organization. If your officers really have your interests at heart, instead of their own, and are big enough men to represent an organization like the United Mine Workers of America, have you not a right to expect from them at this time a constructive policy, a well-considered plan of action, designed to accomplish the greatest good for the members of your organization?*

Instead of this, they are muddling around getting nowhere, going nowhere, with very little idea as to what they want to accomplish and no idea at all as to how to accomplish it. The disastrous effects of the Jacksonville scale are completely ignored. Is the stubborn effort of your officers to maintain the Jacksonville scale at all hazards prompted by a selfish desire to boast of "*no backward step*" in the unit wage scale, or is it prompted by their inability to devise and carry out an economic wage policy which will result in meeting non-union competition and *providing more work for more union miners?*

*The obstinate attempt of your officers to ignore all economic laws is the direct cause of your condition today. West Kentucky has gone non-union; West Virginia has gone non-union; the bituminous industry in the entire state of Pennsylvania has gone non-union; Oklahoma has gone non-union; Arkansas has gone non-union; Kansas and Iowa are going non-union; Ohio is going non-union. The shaft mines of Indiana have lost tremendous tonnages to the non-union fields. Over one-third of the union miners of this state have been driven out of the industry. Over one-third of the capacity of shaft mines in Indiana has been abandoned. Yet your officers now propose to transfer the burden of the International organization to the shoulders of you shaft miners in Indiana and Illinois without providing either work or earning power with which to pay it.*

Your officers asked "that the miners refrain from promiscuous newspaper discussion of the matter until the district officials had presented their answer." They apparently were afraid to permit individual miners to discuss a condition which affects their very livelihood. At any rate, your officers have now had an opportunity to answer our statements, and how miserably they failed we will show you in a series of seven statements appearing in seven consecutive issues of this paper. Now we presume your officers can not object to a full and free discussion by the individual miners.

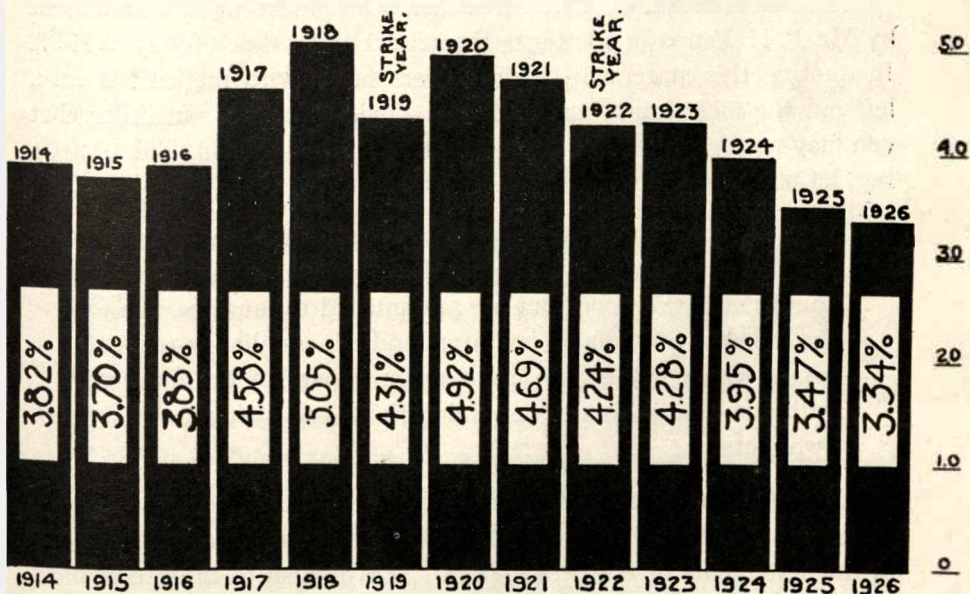
INDIANA BITUMINOUS COAL

30 OPERATORS ASSOCIATION

STATEMENT NUMBER TWELVE

## Are You Afraid to Face the Truth?

Your officers say: "The production record for the years from 1914 and including 1926 shows that Indiana has held their proportionate share of production in the United States." Then follows a statement of tonnage purported to cover that period combining strip coal with shaft coal and carefully leaving out the percentage for 1926. Reference to our Statements Number One and Two will disclose the fact that only shaft coal was considered. The Indiana Bituminous Coal Operators Association is composed only of shaft mine operators, and employ only shaft miners. It is the shaft miner and the shaft operator whose situation we are considering. Any figures which include anything but shaft coal can only mislead and confuse you, and prevent a clear conception of the situation. The following chart shows the proportionate percentage the shaft coal in Indiana bears to the total United States production by years from 1914 to 1926, both inclusive:



Even the confusing table published by your officers is sufficient proof beyond any question, of the disastrous results in Indiana of the



Jacksonville scale. The chart we present to you is correct, and covers only the shaft production in Indiana. The chart shows more plainly than figures, the steady and serious decline in the share of work enjoyed by the union shaft miners in Indiana from 1920 down to date. The only break was in 1922, when you were on strike for almost five months and naturally were out of proportion to the whole of the United States.

*Your officers left out the percentage for 1926. Perhaps it did not suit their purpose to correctly present this table for your consideration. We have put it in, because it is the most forceful proof that six years of a non-competitive wage scale have resulted in the shaft mines of Indiana producing in 1926 the smallest percentage of the national production of any year in the last 25 years. And this was in spite of the material additions to Indiana shaft tonnage in 1926 because of the British strike and storage coal in anticipation of the present strike. If this does not constitute a "backward step," we ask your officers to explain what it does constitute.*

In this connection, great stress has been placed upon a statement by Mr. P. H. Penna in a letter to the miners under date of July 5, 1927. In quoting this statement, your officers have, with meticulous care, left out the most important part of a single sentence. In order that you may not be mislead or confused as to what Mr. Penna did actually say, let us quote the entire extract from his letter:

"If a contract were signed at a less rate, the operators could not promise you steady work. If they promised it, they could not make good, but we are entitled to, and we owe to the industry of Indiana, operators and miners alike, a scale of wages which will enable us to get our share of the business with our competitors in non-union fields and strippers of our own state."

Mr. Penna is absolutely right in his contention, and there is nothing in this statement the least bit contradictory or incompatible with any of the statements of this Association. It is foolish to think that business which has been steadily shifting from the shaft mines of Indiana to the non-union fields for the past six years could be immediately regained by resuming competitive conditions. We suppose your offi-



cers will attempt to make capital of this statement without publishing this paragraph in full, but if they do, they are convicting themselves, before you, and before the public, of willfully and intentionally misleading you. We have shown you that 1926 was the culmination of a steady decline in work in the shaft mines in this state for six years, with the Jacksonville scale. We have shown you how the non-union miners secured this tonnage. We have shown you the effect on the union of this foolish policy. *We now say that if the United Mine Workers of America persist in this effort to burden the shaft mines in Indiana with a wage scale they cannot pay and secure business in competition with other fields, two things will happen: First, there will be a further decline in shaft tonnage, a further decline in mines and miners. Next, the miners who are idle will rebell against laying idle to maintain a wage scale for others and will accept lower wages, either through co-operative arrangements, or an open non-union basis. Isn't this exactly what has happened in every union field that has been lost—West Kentucky, northern West Virginia, Pennsylvania, Oklahoma, Arkansas and even the southern part of our own state of Indiana? If a contract were now signed at a less rate, this decline would undoubtedly be stopped immediately and a gradual increase take place, which with competitive conditions, will undoubtedly result, in time, in the shaft mines regaining the favorable position in the industry they formerly occupied.*

*There is another popular fantasy among your officers to the effect that wage reductions in union fields would be followed by further cuts in non-union fields. This is not likely. The responsible operators of non-union mines, and the great majority of them are responsible, will not make this mistake. They know full well any attempt on their part to reduce wages below the present level would quickly result in the organization of their mines by the United Mine Workers of America. With our disastrous experience, and their own recent experience with the United Mine Workers of America fresh in their minds, they are not likely to invite a repetition by further wage decreases.*

If and when the shaft mines of Indiana secure a competitive wage scale with competing fields and ultimately regain their former position in the industry, every shaft mine now left in this state will have as nearly steady work as was ever known in any year in the history of the

coal mining industry, in Indiana. This does not mean the first year. Markets once lost require the greatest expenditure of time and money to regain. Knowing this as we do, the Indiana Bituminous Coal Operators Association insists upon the shaft miners employed in our mines having these facts brought clearly and squarely before them.

If your officers and your members fail, as they did in 1922, to take heed of these predictions, you will have no one to blame, and can blame no one, but yourselves, for the disaster and ruin which are inevitable.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER THIRTEEN

## Production in 1927

Your officers say:

"All statements of the operators are to the effect that wage scales of miners in Indiana prevent them from operating, and we here show government reports on production of coal for week ending July 2, 1927:

Total production for week ending:

|                   |              |
|-------------------|--------------|
| July 2, 1927..... | 212,000 tons |
| July 3, 1926..... | 311,000      |
| July 4, 1925..... | 277,000      |

With the corresponding production for this period in 1925 and 1926, Indiana is now *almost normal and this production is from many of the high cost mines of the state that can operate and meet competition and make a profit, regardless of the fact that on April 1st there was on hands over 90,000,000 tons of storage coal.*"

Again, your officers have quoted strip coal figures in order to mislead you. If they had desired to place present conditions fairly and squarely before you, their statement would have appeared as follows:

Total production shaft coal for week ending:

|                   |           |
|-------------------|-----------|
| July 2, 1927..... | 114,522   |
| July 3, 1926..... | 248,605   |
| July 4, 1925..... | 232,643** |

\*\*Week ending July 4, 1925 was a 5-day week only.

Why should your officers take a week in 1925 in which a holiday occurred to compare with a 6-day week in 1927?

Your officers say: "With the corresponding production in this period in 1925 and 1926, *Indiana is now almost normal.*" The truth is, the shaft mines of Indiana produced less than half as much coal in this 6-day week in 1927 as they did in a corresponding 5-day week in 1925. Yet your officers say Indiana is now "almost normal." They likewise say: "And this production is from many of the high cost



mines of the state that can operate and meet competition and make a profit." It apparently did not serve their purpose to explain to you that few, if any, of these shaft mines could "operate and meet competition and make a profit" if the mines of the Indiana Bituminous Coal Operators Association should resume work on the Jacksonville scale. Your officers also, for some reason or other, did not care to explain that several of these mines proved most conclusively, to their creditors, their inability to "operate and meet competition and make a profit" prior to this suspension by becoming insolvent and going into bankruptcy.

Your officers have repeatedly diagnosed the present trouble as "too many mines and too many miners." If this is the trouble, it naturally follows that the solution is to permit the present economic condition to force the surplus mines out of business and the surplus miners out of a job. This would furnish steady work to the remaining shaft miners at high wages and at the same time permit the operators to make a profit, which is the ideal situation your officers claim to want. Between 3,000 and 4,000 shaft miners, some union and some non-union, produced the 114,522 tons of shaft coal in the week ending July 2, 1927. Your officers say this was "almost normal" and they also say it was produced by many high cost mines at a profit. If all of this is true, why go to the trouble of negotiating or dealing with the shaft mines that are down? Why go to the trouble of trying to get you men back to work? Have not they accomplished just exactly what they said would cure the ills of the industry? The surplus mines are down and the surplus miners are out of a job. The mines that are working are making a profit, and, according to your officers, paying the Jacksonville scale. Why not leave it so? They have, according to their theory, with one resolution of the Policy Committee, absolutely cured the economic ills of the shaft coal industry in Indiana. It is true that there are sixty to seventy shaft mines idle and 14,000 to 15,000 shaft miners out of a job, but that is your bad luck and our bad luck. Apparently your officers have no intention or desire to find jobs for you. It is also true your officers did not care to explain that a material percentage of this shaft coal in the week ending July 2, 1927, was produced by *non-union miners in Indiana*. Also, you will want to know just how sure your officers are that all of the shaft mines in operation are paying the Jacksonville scale and observing, without



*modification of any kind, the contract conditions which you and your families are suffering to maintain.*

In fact, don't you think your officers had better have a heart to heart talk with you miners who have thus, by their action, been deprived of your jobs? If the idleness of 14,000 or 15,000 shaft miners in Indiana permits "almost normal" production, what reason have you to expect that your officers will do anything which would permit you to get back on a coal mine pay roll?

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER FOURTEEN

## Costs and Selling Prices in 1920

Your officers say:

"You will note 1916 and during and immediately following the war period, Indiana enjoyed an abnormal market as did all other mining states, and the year 1920 which the operators take as a basis of their normal year was a peak year for profits. The labor costs as given by the operators themselves in reports to the State Department of Mines and Mining for the year 1920 was \$1.40 per ton, and their Statement Number Eight of their advertising shows that 80 per cent of the production cost of coal is the labor cost; 12 per cent for supplies and 8 per cent for general expenses, hence, the finished cost would be \$1.75 in 1920 and during this period most of the coal shipped was sold from \$5 to \$8 per ton. Many operators refused to ship on contract to regular customers. It was a banner year and it can easily be recalled what coal sold for to the consumer."

The annual report of the Department of Mines and Mining for the fiscal year ending September 30th, 1920, which is a public document and available to any citizen of Indiana, shows the total *payroll cost* of producing 23,172,280 tons of shaft coal to be \$40,096,898.43 or \$1.7304 per ton. Add to this, 5c per ton for liability insurance. Using this figure of \$1.7804 (instead of \$1.40 as incorrectly quoted by your officers) as 80 per cent of the "direct out-of-pocket operating cost of the shaft mines in Indiana," (See Statement Number Eight of the operators) we have an *operating cost* (not "finished" cost as incorrectly stated by your officers) of \$2.225. *To this must be added interest on bonds or borrowed money, depreciation and depletion, before you have a "finished" cost.*

Your officers say: "During this period *most* of the coal shipped was sold from \$5 to \$8 per ton." In June, July, August and September, it is true the spot market or open market did reach, in some instances, from \$5 to \$8 per ton. The other eight months of the period your officers are referring to, (the year ending September 30, 1920)

prices were normal. Every one of you miners can remember distinctly that railroad car shortage prevented operation of the mines two or three days each week during the four months in question. This made it extremely difficult to fill contract obligations, to say nothing of offering spot market coal at a higher price. Responsible operators established in business in Indiana, such as the members of this Association, had their coal contracted and shipped to their contract customers. Had they been able to offer any considerable quantity of coal on the open market, the fancy prices would have broken immediately.

Just to demonstrate how absurd it is to say: "During this period, most of the coal shipped was sold from \$5 to \$8 per ton," the average realization on over 10,000,000 tons of shaft coal constituting the entire production of the majority of the members of this Association, from October 1st, 1919, to September 30, 1920, was \$2.85 per ton. If the realization figures of all the members of the Association were available, they would vary but slightly from this figure.

Your officers say: "Many operators refused to ship on contract or to regular customers." The realization figure quoted proves conclusively that "most of the coal" was *not* sold at \$5 to \$8 per ton, and members of this Association did *not* refuse to ship on contracts or to regular customers. The Indiana Bituminous Coal Operators Association does not countenance such business perfidy either in contracts with their customers for the sale of coal or in contracts with the miners for the payment of wages. In 1920, at least, the individual companies in this Association were financially responsible. If any of them had refused to ship on contract, they were liable for damages in the Courts of Indiana and would undoubtedly have been sued. Your officers know full well that both of these statements are scurrilously false so far as the members of this Association are concerned.

Your officers say: "This was a banner year for the coal industry." This is true. The members of this Association probably earned about 50c per ton during the year ending September 30, 1920, almost half of which was paid to the Government in income taxes and an amount equal to the other half has since been lost by the operators through the payment of a non-competitive wage scale in competition for business.



The fiscal year in question was likewise a banner year for the miners. Perhaps your officers did not care to call your attention to the fact that in this period, the miners received three wage advances. You worked one month with an inside day wage of \$5.00 and a machine mining rate of 72c. You were on strike and did no work for over one month. You worked 3½ months for an inside wage of \$5.70 and a machine mining rate of 84c. You worked 4½ months with an inside day wage of \$6.00 and a machine mine rate of 96c. You worked only 1½ months in this period at the present inside day wage of \$7.50 and machine mining rate of 96c. *Yet reference to the annual report of the Department of Mines and Mining of the State of Indiana discloses the fact that you received \$40,096,898.43 in wages during that period. From October 1st, 1925, to September 30, 1926, the full twelve months on the non-competitive Jacksonville scale, you received only \$28,664,657.10. This proves to you the truth of the operators' statement, and disproves practically all the contentions of your officers.*

*The point is this. It is not the wage scale you have—it is the amount of work you get, that governs the size of your pay envelope. You can not pay grocery bills and house rent with any wage scale if you don't have any work. Probably your officers are not interested in this, as their monthly salaries go on just the same, whether you work, strike or lay idle.*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER FIFTEEN

## Over-Development and Average Yearly Earnings

Your officers say:

"The mining industry is vastly over-developed. This over-development is, to a great extent, due to the capital invested and the opening up of many abandoned mines to take advantage of wartime prices on coal."

Whether there is now more over-development in coal mining than other industries is a debatable question and one with which we are not here concerned. We may as well recognize the fact that there was an abnormal increase in the capacity of shaft mines between 1917 and 1920, certainly all of which was with the hope of profit. This was entirely due to the inability of the railroads to supply cars to take care of peak requirements. Everyone knows, and your officers know full well, if there had been 100 per cent car supply at all times and no suspension in mining, there would never have been an abnormal price on coal and there would have been no abnormal development in capacity in Indiana. Neither the operators of this Association, nor the miners, are responsible for that abnormal development, and any academic discussion would be futile.

However, your officers have laid great stress upon this point, so let us examine the facts. Reference to Statement Number Three shows that in the years 1923 to 1926, inclusive, 66 shaft mines with a capacity of 51,744 tons per day were abandoned and lost to the industry in Indiana. This leaves 118 shaft mines in Indiana with a daily rated capacity of 118,098 tons. There is no over-development here, now, provided Indiana shaft miners get their fair share of the work. If we had been able to secure for the shaft miners of Indiana the same percentage of the national production in 1926 the Indiana shaft miners enjoyed in 1920, these 118 mines would have had to work an average of 235 days in order to fill their orders. This would have been the highest average working time in the history of the coal mining industry in the State of Indiana.

Obviously, if we continued to pay the Jacksonville scale, our tonnage would continue to decline and we would not need these mines nor would we need the 18,000 miners who depend upon them for their livelihood. We repeat, therefore, that if Indiana secures its fair share of the work, there are not too many mines nor are there too many miners in Indiana. It naturally follows this question of over-development is entirely in the hands of your officers. If they are willing to negotiate a competitive wage scale, there are mines and jobs for all of you. If they persist in their present course, then we say there are too many mines and too many miners in Indiana.

Your officers refer frequently to "average yearly earnings." Their actions up to date indicate very clearly they are not the least bit interested in your average yearly earnings. They are only interested in boasting that they have and will take "*no backward step in the unit wage scale*." We insist, and they cannot successfully deny, that they have taken a decided "backward step" in the average yearly earnings of the shaft miners employed in this industry since 1920. The Jacksonville scale has been nothing but a *constant succession of "backward steps" in average yearly earnings for the shaft miners of Indiana*.

We do not propose to accept or even discuss any particular "average yearly" or "average monthly" earnings as quoted by your officers. Who knows how many days the miner works? Since you do not know, how foolish it is to discuss or even consider the average earnings of each man who at any time during the year appeared on any payroll. What we do know is: That under the Jacksonville scale, each year a smaller amount has been paid in wages to the miners than the year preceding and you can expect nothing else but a continuance of this until your unit wages are adjusted to a basis which will permit the operator to sell his coal in competition with non-union coal in other states and strip coal in Indiana.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION



STATEMENT NUMBER SIXTEEN

## Freight Rates

Your officers admit all is not well in the shaft mine industry in Indiana and attempt to lay the entire blame on discriminatory freight rates. To substantiate this, they quote the testimony of two operators in a recent rate case. Both of these officers testified that there were two things wrong with the coal industry of Indiana; namely, the freight rates, and the wage scale. The freight rate to Chicago on your coal affects only a part of your production. *The wage scale affects it all.* You are not responsible for freight rates, nor are the operators in Indiana, and neither you nor we have any control over them. *The operators and miners are responsible for the wage scale in Indiana, and have absolute control over it.*

*How can you expect the Interstate Commerce Commission or the railroads to make competitive freight rates on your product if you persist in refusing to make competitive wage scales for the same product? How can you criticise the failure of outside interests to help you compete with non-union miners when you will not turn over your hand to help yourselves? An official publication of the United Mine Workers under date of July 11th has this to say about the American coal miner: "He has resolved that 'he who would be helped must first learn to help himself' is as applicable to business as to uplift." What are you now going to do to help yourselves compete in order that you may merit the assistance of the Interstate Commerce Commission and the railroads?*

The proceedings before the Interstate Commerce Commission involving the relationship between rates on non-union and union-mined coal to Chicago and the Northwest occupied the undivided time and attention of the Traffic Department of the Indiana Bituminous Coal Operators Association for many months. The presentation of this case cost the Operators Association many thousands of dollars. Your national officers exerted every possible effort to help secure an adjustment. The decision of the Interstate Commerce Commission has now been rendered. It widens the differential between the Brazil-Clinton

and Linton-Sullivan groups and Western Kentucky coal by 15c per ton. Careful perusal of the testimony in the case reveals the fact that your stubborn refusal to help yourselves in the competition for business was the greatest stumbling block in making a favorable presentation.

*Again, let us remind you, you are faced with a condition and not a theory. All of the ranting and raving of your officials about "politicians" and "railroad companies" will not add \$1 to the pay envelope of the shaft miners of Indiana. When you miners and your officers place your own house in order, if you then cannot compete with non-union coal on account of the freight rates, you can go before the Interstate Commerce Commission and hope for some further adjustment. It would, of course, be splendid for the shaft miners of Indiana if the railroads would maintain and protect an ample market for union-mined coal and not permit competitive rates to be established to this market from non-union districts. Such discussion is silly. It has never been done and it never will be done. Freight rates are going to be established and maintained in such a manner as to permit full, free competition from as many fields as possible at all times. Every mining district that has a right to expect to compete, and has a competitive cost of production, and a competitive coal, can justify its request for proper competitive freight rates.*

Until we adjust those factors over which we have absolute control to a competitive basis, it is going to be difficult to establish the justice and equity of our position with respect to those factors which we cannot control. These differentials are now established. The Interstate Commerce Commission has done all it is going to do right now to help you compete with non-union coal. *What are you going to do to help yourselves compete with non-union coal?*

#### INDIANA BITUMINOUS COAL OPERATORS ASSOCIATION

#### STATEMENT NUMBER SEVENTEEN

### Negotiations, Joint Conferences, Collective Bargaining

Your officers say: "The Mine Workers are now and have been ready to meet in joint conference and had invited the operators to meet in joint conference but they preferred a scale committee meeting and in said scale committee meeting there was no earnest effort on the part of the operators to negotiate a contract and the meeting was adjourned on a motion and seconded by coal operators."

This entire statement, whether intentionally or unintentionally, can not help but create in your minds a complete misunderstanding of the facts. The proposal extended by your officers is quoted below:

"We hereby propose that a joint conference be arranged to negotiate a contract to replace the Terre Haute agreement, either by joint conference or by scale committee. Please give this due consideration and if your Association is agreeable, then we can arrange a satisfactory date for the joint meeting."

You will note the proposal reads: "either by joint conference or by scale committee." The operators elected to meet by scale committee inasmuch as either method was proposed by your officers. The only authority we know of, under which your officers or your scale committee could enter into a contract in your behalf, is the following resolution of the Miners' Policy Committee passed at Miami, Florida, March 29th, 1927. (We quote only the extract pertaining to district contracts.)

"That the officers of the respective districts comprising the Central Competitive Field be authorized to enter into district wage negotiations with their respective operators upon the basis of the existing agreements."

Your officers say: "There was no earnest effort on the part of the operators to *negotiate* a contract, and the meeting was adjourned on a motion and seconded by coal operators."



Webster's unabridged dictionary defines the word "negotiate" as follows:

"To transact business; to treat with a view to coming to terms as a purchase, sale or treaty; to conduct negotiations or conferences as a basis of agreement."

The operators agreed to your officers' proposal in order to find out definitely whether your officers were authorized to *negotiate* a contract, or whether their authority was limited to a renewal of the Terre Haute agreement on the basis of the Jacksonville scale. The joint scale committee meeting was held in Terre Haute, May 3rd and 4th, 1927. After two days of earnest effort on the part of the operators to negotiate a contract, it was obvious your officers had no authority other than that of the Policy Committee to permit us to sign on the dotted line a renewal of the Terre Haute agreement. The operators then moved and seconded adjournment, sine die.

*With this information before you, it is easy to see why there is now no contract between the Indiana Bituminous Coal Operators Association and District No. 11 of the United Mine Workers of America. It was never intended by your Policy Committee to permit negotiation in the true meaning of the word, nor collective bargaining. It was never intended that there should be a joint conference. When one party in interest is bound hand and foot by positive instructions from a Policy Committee not present at the meeting, or in session anywhere at the time, how can there be any negotiation or collective bargaining, and how could there possibly be an effective joint conference?*

It would be absurd to call such a fiasco a joint conference. It would be absurd to call it collective bargaining. At least a reasonable measure of success attended the efforts of the operators and the United Mine Workers of America as long as real collective bargaining governed their relations. *Your officers have gotten away from collective bargaining. There has been no collective bargaining, no joint conference and no negotiation since 1916.*

Wartime conditions and the interference of certain public officials have permitted the United Mine Workers of America to dominate and control this situation. As is always the case when autocratic power of this magnitude is placed in the hands of one man or one group of men,



they have over-stepped the bounds of reason, they have attempted to go too far against the economic laws of business. They are riding to a fall. *We say unhesitatingly that unless the United Mine Workers of America return at once to the plan of collective bargaining, joint conferences and negotiations of their wage scales, the power of the United Mine Workers of America will be broken in Indiana and Illinois just as it has in the past been broken in over half of the territory formerly dominated by the union.*

*It is futile to make an "earnest effort to negotiate a contract" with officers who have not the slightest authority to negotiate. When your officers come to the operators and assure us they are released from instructions of your Policy Committee and are authorized to sit down in a real joint conference, unprejudiced and unbiased, unhampered by an impractical and unworkable policy, and endeavor to find a practical method of meeting competition, the Indiana Bituminous Coal Operators Association will be glad to meet with them or with their scale committee or with the entire membership of District No. 11, and continue the meetings just as long as there is any hope of arriving at a satisfactory contract which will permit these mines to resume operation on a competitive basis. This is our position now, was then, and has been from that time until this.*

*We leave it to you to decide whether the attitude of the operators or the attitude of your officers indicates a sincere desire and sufficient authority to negotiate a contract under which our mines can be operated.*

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

## Second Reply of Officers of District No. 11, United Mine Workers of America to Statements of Operators.

TERRE HAUTE, IND., August 19, 1927.

### Indiana Coal Operators' Association Still Persists In Subterfuges

The sad story of an industry that prefers to pay their money for advertising in the newspapers of this state rather than to give to the workers of that industry any of the surplus profit derived from their employes is reflected in one-quarter and one-half page advertisements that have appeared in the newspapers serving mining sections of our state. It appears as "A CONTINUED STORY."

They quote in the advertisements from a news statement given to the press by district officials of the United Mine Workers of America and they use Webster's dictionary to attempt to prove that they were sincere in attempting to negotiate an agreement, etc., yet they admit in their advertising that they had an ulterior motive at our recent joint scale committee meeting when they say "the operators agreed to your officials' proposal (referring to our letter desiring a joint conference or scale committee meeting) in order to find out definitely whether your officials were authorized to negotiate a contract. *"After two days of earnest effort on the part of the operators to negotiate a contract it was OBVIOUS that your officials had no authority other than that of the policy committee to permit us to sign on the dotted line a renewal of the Terre Haute agreement. The operators then moved and seconded adjournment sine die."* OBVIOUS? To whom? The operators, who we deny made any effort whatever as a scale committee to negotiate, but a part of their committee did show that they were willing and anxious to negotiate and it was also

obvious that the official heads of the operators organization would not permit any development in negotiations. They were standing for a reduction in wages but some of their scale committee were not certain that wage reductions were necessary and so expressed themselves and have demonstrated plainly that they were honest in their views because they have signed the scale that they have been paying for the last seven years and are successfully operating.

The operators have laid great stress on the policy committee's action at Miami, Florida, who acted after repeated attempts to negotiate a contract had failed and the operators desired to adjourn the conference sine die and they have tried to leave the impression that the officials of District No. 11 have their hands tied and would, perhaps, consider their proposals if it were not for the policy committee's action. We are in the same position as we have always been in all of the years past in our negotiations. Our International Conventions formulate our demands and that is used as a basis for negotiations. It is no different now than the old days the operators refer to as "joint bargaining days" except the operators' determined effort to force wage reductions. What have the operators proposed? At Miami they proposed "THE CONTINUED COMPETITIVE SCALE." They admitted at Miami that they did not know what they meant but the mine workers feel sure that they understand and we assure the operators that we are a part of the policy committee and the scale committee and we have no desire or disposition, as officials, to consider such a program. President John L. Lewis referred to the operators' proposal as "a pig in the bag." He invited the operators "to get the pig out of the bag and let us see him."

The Indiana Operators Association have, for years, made a contract with the United Mine Workers of America, District No. 11, and this has been used as a basis for contracts with the strip operators of the state, also the independent operators, but this year it is reversed and the tirade of the operators association about competition with the strip mines of the state and their lamentable cry deserves consideration and we hereby show wage schedules, etc., paid at the strip mines of the state.



## SCALE OF WAGES

### Section 1.—

|   |          |
|---|----------|
| S. S. Engineers, per calendar month, less Sunday and Legal Holidays ..... | \$248.25 |
| S. S. Cranemen, per calendar month, less Sundays and Legal Holidays ..... | 222.00   |
| S. S. Firemen, per calendar month, less Sundays and Legal Holidays .....  | 195.75   |

|  | Hours | Per Day |
|--|-------|---------|
| Haulage Engineers or Motormen .....        | 8     | \$8.12  |
| Track Layers .....                         | 8     | 7.50    |
| Machine Power Drillers .....               | 8     | 7.50    |
| Churn and Hand Drillers .....              | 8     | 7.50    |
| Surface Power Drillers .....               | 8     | 8.70    |
| Surface Power Drillers Helpers .....       | 8     | 7.50    |
| Dirt Men and Coal Shovelers .....          | 8     | 7.50    |
| Ditchers .....                             | 8     | 7.50    |
| Ground Men Around Machine .....            | 8     | 7.50    |
| Blacksmiths .....                          | 8     | 7.92    |
| Machinists .....                           | 8     | 8.70    |
| Pumpers .....                              | 8     | 7.50    |
| Sledgers .....                             | 8     | 7.50    |
| Shooters .....                             | 8     | 7.69    |
| Couplers at Tipple .....                   | 8     | 7.13    |
| Tipple Firemen .....                       | 10    | 7.36    |
| Night Watchmen .....                       | 12    | 7.36    |
| Drivers .....                              | 8     | 7.50    |
| Switchmen .....                            | 8     | 7.50    |
| Flat Trimmers at Tipple .....              | 8     | 6.86    |
| Tipple Engineers, for 26 day month .....   |       | 202.31  |
| Water Boy .....                            | 8     | 5.29    |
| Trip Riders .....                          | 8     | 7.50    |
| Oilers and Greasers on Shovels .....       | 8     | 7.50    |
| Dumpers .....                              | 8     | 6.86    |
| Blacksmith Helpers .....                   | 8     | 7.50    |
| Boiler Makers .....                        | 8     | 7.92    |
| Electric and Acetylene Welders .....       | 8     | 8.70    |
| All other labor in pit not mentioned ..... | 8     | 7.50    |

This is based on a Twenty-six (26) working day month and for the purpose of computing overtime or docking for any month the daily rate shall be 1-26 part of monthly rate.

All laborers in and around the strip mines shall be paid time and one-half for all overtime and double time for Sundays and the following Legal Holidays: New Year's, April 1 (8-hour day), Memorial (Decoration), Independence (July 4th), Labor, Thanksgiving and Christmas Days. This does not apply to pumpers or night Watchmen that are regularly employed; and where men are called out on Sunday to clean boilers, they shall be given a shift for such work. Where a regular pumpman or night watchman desires to lay off on Sunday or holidays he shall notify the mine manager when possible, and any man, substituted to take such pumpman's or night watchman's place, shall not receive any overtime pay.

NOTE—The regular underground scale paid to inside day labor in Indiana under the Jacksonville agreement is \$7.50 per eight-hour day and the strip operators pay \$7.50 per day as a minimum scale for men working in the pits who enjoy the pure air and the sunlight and are removed from the many hazards of the shaft mine.

We wonder if the operators' association would now seek membership of those operators whom they would have been pleased to have associated with prior to their signing up an agreement to April 1st, 1929 with the United Mine Workers of America.

### PROFITS

Operators have admitted that 1920 was a good year for profits and we contend that the profits enjoyed during the following war period made operators dissatisfied with a normal pre-war profit and prior to 1920 they enjoyed good profits. In 1918, under war prices, the production as given by the State Department of Mines and Mining was 28,795,682 tons. The wages paid were \$29,776,916.19. At \$2.45 per ton, the government price (and all coal was not sold at this low figure) this would leave \$40,772,504.71 over wages paid and the operators agree that eighty per cent of the cost of coal is labor cost. In statement No. 16 the operators say that *"all the ranting and all the raving of your officers about politicians and railroad companies will*



not add one dollar to the pay envelope of the shaft miners of Indiana."

They have not denied that operators testified under oath that freight rates discrimination was the most important factor in meeting competition with the non-union fields and this rate has been partially corrected which will be advantageous to the Indiana Coal Operators. We repeat that Mr. Penna has admitted in his individual appeal to the miners of the State that "if a contract were signed at a less rate the operators could not promise steady work." "If they promised it they could not make good," which means that he recognizes that it is an over developed industry and if a reduction in wages was accepted by the mine workers it would be taking money from their pay envelope and adding to the profits of the coal companies. It is amusing to note that Mr. Logsdon, President of the Knox Consolidated Coal Company, in his press contribution does not agree with the operators' paid advertisement. He admits that the industry of Indiana is over-developed but the advertising shows that it is only over-developed in other states and not in Indiana but Mr. Logsdon says that his company cannot operate under the Jacksonville agreement. Figures for the year 1926, which the operators state has been deplorable, show that the Knox Consolidated mines produced 2,087,123 tons. The payroll costs were \$1.44.2 per ton. Finished cost based on operators' statement No. 8 would be \$1.80 per ton. The average selling price of this coal was \$2.04 per ton giving a net profit of 24c per ton of \$500,909.52. The total tonnage for Indiana in 1926 was 18,506,144 tons. The payroll cost was \$28,624,783.40 or \$1.54 per ton payroll cost which represents eighty per cent of the total cost of production.

### HAZARDS OF THE INDUSTRY

The operators did not mention in their advertising the disgraceful toll of human sacrifices the mines of the state and nation extract from those who cast their lot in the mines. They did not deny that in Indiana from 1915 to 1925 the United States Government statistics show that the fatality rate per thousand workers employed per year was 4.19 and the human sacrifice in the coal industry in America was more than twice as great as will be found in any other mining country in the world and, think of it, 4,494 injuries occurred in the mines of Indiana in 1926 and the operators apparently do not feel that the hazards of the occupation deserve consideration.

### OPERATORS MOTIVE

The paid advertisements of the coal operators is just an attack on the officials of the miners' organization, attempting to discredit them with the public and with the mine workers of the state. We will not give consideration or comment on some statements that have been made because they are so absurd and ridiculous that they do not deserve any consideration. They have appealed to the mine worker, attempting to make him believe that they have his interests and welfare at heart and their officials are misleading them. This is for public consumption and may mislead the public but we have no fear of misleading the mine workers of this state or of them following the advice of paid representatives of the coal operators association who contend that any standard of living used as a basis of fixing wages is a fad and that wages are fixed on services rendered. We agree that wages should be fixed on services rendered and we wonder if the services rendered to society by a commissioner of the coal operators association would enable him to earn as much as twenty-five coal miners or the services rendered to society by the President of a coal company is worth as much as fifty coal miners. The mine workers know that the operators association is not organized for the purpose of looking after the interests of the mine workers of the state but were organized for the benefit of the coal operators to get the cheapest production possible and now they desire to grind the worker down by reducing his wages so that profits will be maintained, or increased. For the benefit of the public we desire to show the true motive and you will note the language of Mr. Penna in his speech before the National Coal Association Convention at Chicago, May 25, 1922, when he said "I think that the greatest menace to the United States is that the industry of America is the Labor Union movement. I think it is illegal and criminal per se. I would like, if I could, to wipe out not only the United Mine Workers of America but all memory of that institution." Is the union a benefit to the mine workers? Mr. Penna thinks so because it is his desire to move it from the industry so that the operators can deal with the miners as individuals. Then they would put in operation their "continuous competitive scale, (the sliding scale) which always slides down and the mine workers would be in the same deplorable position that they were before the organization came into being.



Operators advertise that the non-union miners are "Happy Thrifty And Prosperous." We are sure that we are fully representing the rank and file of the United Mine Workers of America, District No. 11, when we say that we do not want any of that kind of prosperity or happiness and they know that this is untrue when they advertise it.

HARVEY CARTWRIGHT, President.

JAMES H. TERRY, Vice President.

WILLIAM MITCH, Secretary-Treasurer.

### Third Series of Statements by Operators Analyzing the Second Reply of the Officers of District No. 11, United Mine Workers of America.

#### STATEMENT NUMBER EIGHTEEN

Under date of August 19, 1927, the officers of District No. 11, United Mine Workers of America, issued a circular purporting to reply to statements of the Indiana Bituminous Coal Operators Association.

#### PROFITS

After the unsuccessful discussion of profits in the year 1920, our officers have now gone back to the year 1918. The pay roll figures given by the State Department of Mines and Mining are incorrectly quoted by your officers to the extent of \$10,000,000. The government price was \$2.45 per ton for just 25 days in 1918, and the balance of the year it was considerably less than that figure, and established operators of Indiana did not enjoy an average realization as high as the government prices. Since both cost and selling price figures used by your officers for the year 1918 are incorrect, of course no correct conclusion can possibly be drawn from them. The operators thought they had made perfectly clear that so long as wage scales in Indiana were competitive with other districts, they were able to operate their properties, pay the wage scales and increase their business. Commencing with 1921, union wage scales became non-competitive and the shaftal industry of Indiana has been suffering a serious decline since that time. As proof of this statement, we refer you to our Statements Numbers One and Two. Unfortunately, we are not talking about the years 1917 to 1920, inclusive. We are talking about the years 1927 to 1930, inclusive, and have shown the record of the industry for the past six years only as proof of what must be expected in the future unless a competitive wage scale is re-established.

## INCREASED WORK WITH REDUCED SCALE OVER-DEVELOPMENT

Your officers have again partially quoted Mr. Penna as to running time under a reduced scale, and we feel their statement can be answered by referring you once more to our Statements Eight, Twelve, Fourteen, Fifteen, and Sixteen, all of which we firmly believe prove conclusively our belief and contention that a competitive wage scale in Indiana will eventually, at least, increase the running time of the mines and the amount of work enjoyed by the miners. It is our firm belief that failure to negotiate a competitive wage scale now will result in a further decline in shaft coal mining in Indiana and a further serious decline in the amount of work enjoyed by the miners.

The operators fail to see anything contradictory between Mr. Logsdon's interview in the daily press and the statements published by the operators as to over-development. We can only recommend that you read both statements carefully, and it will become evident that there is no contradiction.

## PROFITS OF INDIVIDUAL COMPANIES

Your officers have attempted to cite an individual company presumably as proof of the profits of the operators, but like all other statements of this character, their facts are wrong and their method of arriving at the conclusion is wrong, therefore their conclusions are not possibly be correct. Even if they were correct as to an individual case, it is very easy to be misled when forming broad conclusions from individual cases. If it were desirable or proper to form broad conclusions from individual cases, the operators might publish the names and earnings of a great many individual miners who received in wages in 1926 over \$4,000 each. Surely a reduction in this wage would bring about all the deplorable conditions so greatly feared by miners.

## INDIANA BITUMINOUS COAL OPERATORS ASSOCIATION

## STATEMENT NUMBER NINETEEN

## Hazards of the Industry

The operators have not discussed the hazards of the industry, not because of any failure to deplore these hazards or to sympathize with the unfortunate victims and their families. We are simply wondering if your officers and members sincerely strive in every possible manner to reduce the hazards of coal mining in Indiana. We are wondering if they are not quick to advocate any safety measure which furthers employment to more men in the mines, such as rock dusting, and equally quick to oppose any safety measure which does not have that effect, such as the adoption of permissible powder, safety lights, the right to discharge men for unsafe practices or individual carelessness of their own safety and the safety of others.

## OPERATORS' MOTIVES

The officers of District No. 11 are evidently accusing the operators of a hidden desire to bring about non-unionism in Indiana. The reply to this is obvious. If such were the policy of the operators, there would be no occasion for the present controversy, nor would there be any occasion for any effort on the part of the operators to negotiate a contract with the United Mine Workers of America. If some individual operators do feel that the present rigid, domineering policy of the United Mine Workers of America had better be supplanted by re-placing the control of the coal properties in the hands of the owners, we hardly think they could be criticized. The Indiana Bituminous Coal Operators Association firmly believes that your International Officers, your International Policy Committee and your State Officers have been working, and are now working, more effectively to bring about non-unionism in Indiana than any individual operator possibly could. Their policy has already placed Western Kentucky, Northern West Virginia, Pennsylvania, Oklahoma and Arkansas definitely in the non-union column, and Iowa and Ohio apparently are being forced to non-unionism by the same policy. If the Indiana Bituminous Coal Operators Association really wanted to accomplish the elimination of the United Mine Workers of America in



Indiana, they could do so much more effectively by allowing your officers to again impose the Jacksonville scale upon the shaft miners and allow Indiana to take the same methods of solving their problem that the great majority of operators in other states have taken.

No, it is not necessary for the operators to advocate non-unionism in Indiana, as the International Officers have brought about non-unionism in other states in the past five years much faster and more effectively than the operators could hope to do.

### STRIP MINING

Your officers have laid great stress upon strip mining. Let me once more invite your attention to the fact that the Indiana Bituminous Coal Operators Association is composed only of shaft mine operators and has nothing whatever to do with strip mine wages or strip mine operators. If, in their haste to get mines back into operation after April 1st, 1927, your officers have made certain promises to strip operators, we submit they have no one to blame but themselves. By their action in signing a contract at the present wages, the shaft operators have admitted that they can operate and meet competition with non-union fields and make a profit with this wage scale. Their action has nothing whatever to do with the Indiana Bituminous Coal Operators Association. It is no indication of what shaft operators could do, and has no bearing whatever on the present controversy.

The strip mine employe, with lower daily earnings, delivers three times as much coal per man per day on the cars as the shaft miner. The shaft operators firmly believe this fact eliminates any possibility of judging one industry by the other, or regulating the wages of one industry by the wages in the other.

### INDIANA BITUMINOUS COAL OPERATORS ASSOCIATION

#### STATEMENT NUMBER TWENTY

### Negotiations

Since the officers of District No. 11 have ridiculed our use of Webster to define negotiations, we insist they simply refuse to recognize the true meaning of negotiation. Their interpretation of negotiation is a joint meeting where the miners' officials are bound hand and foot by instructions of a National Convention and a Policy Committee from which they cannot deviate in the slightest degree, with the added absurdity that they personally took part in this Convention, are members of the Policy Committee, and are in perfect accord with their instructions and have no desire, disposition or authority to depart from their instructions. Is this negotiation? Is this collective bargaining? Is this joint conference? Why go to the trouble of meeting? Their idea of negotiation might just as well be carried out by mailing a contract to the operators and giving them the privilege of signing on the dotted line. No, this is not negotiation, but it is proof conclusive of the rigid, domineering intentions of the officers of District No. 11, and the International Officers at Indianapolis. Your officers have thus clearly explained to you why you are idle. This is the reason there is now no contract between District No. 11 and the Indiana Bituminous Coal Operators Association. This is the reason you have been idle since April 1st, 1927, and are likely to continue idle for some time. The responsibility for the privations you are suffering rests squarely upon the shoulders of your officers, both state and national. Their policy is not one of negotiation, but of dictation and domination and persisted in will ultimately result in destruction.

*Contrast this with the position of the Indiana Bituminous Coal Operators Association. We are ready and willing to come into a joint conference, free, unhampered, unbiased and wholly uninstructed. We are not tied to the Ohio sliding competitive scale, or the 1917 scale, or any other scale or contract conditions, and have not been since April 1st, 1927.*

We are ready and willing to listen to and give serious consideration to any and all propositions made by your representatives. We



are ready and willing to either accept your proposition, or give you good and sufficient reasons why they are not acceptable. We would expect to be free to propose anything we chose and have your representatives equally ready and willing to listen and carefully consider each point, and be free to either accept or give good and sufficient reasons why they were not acceptable.

*We are ready and willing to make an earnest effort through our representatives to reach an equitable agreement on wage scales and contract conditions. If a real joint conference between our representatives should fail to result in an agreement, we are ready and will to submit all points of difference to the judgment of disinterested parties, selected in any fair and equitable manner.*

*In other words, we understand negotiations to mean absolute freedom of action by representatives of both parties, either to come to an agreement themselves or submit the points at issue to disinterested parties or to a commission of both interested and disinterested parties and abide by their decision.*

The scale committee of the Indiana Bituminous Coal Operators Association is in this position and the representatives of the miners are not. When the representatives of the miners are placed in this position and become imbued with an earnest desire to negotiate a constructive agreement, beneficial alike to the operators and miners of Indiana, this strike will be over very soon, and there will not soon be another one.

We repeat: When your representatives come to us with authority and disposition to sit down across a table and thresh out the problems of the coal industry in Indiana, you will find the operators ready and willing to negotiate a contract that will permit them to operate their mines and carry it out in absolute good faith.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

STATEMENT NUMBER TWENTY-ONE

## Conclusion

The Indiana Bituminous Coal Operators Association has presented a complete and accurate statement of economic conditions affecting the shaft coal industry in Indiana. There has been no effective attempt to disprove the facts presented, or the conclusions reached. There have been no constructive suggestions by your officers to assist in improving the deplorable conditions in Indiana. These conditions vitally affect the shaft coal operators and the shaft coal miners of Indiana. Since they are so vital, and since they do remain unanswered, we are taking the liberty of again calling your attention to the vital points in our previous statements:

(1). Indiana shaft mines produced the lowest percentage of the total coal production of the United States in 1926 of any year in the past twenty-five.

(2). Indiana shaft mines have been abandoned in the past six years at an unprecedented rate, due to their inability to produce coal and compete with strippers and non-union mines.

(3). Thousands of miners have been driven out of the industry in Indiana into either other lines of industry, or non-union mines in other states. Non-union coal is being moved directly past our mines to our markets to the extent of over 6,000,000 tons per year.

(4). The United Mine Workers of America as an international organization is now a misnomer so far as bituminous coal is concerned. The great majority of mines formerly operating under contracts with the United Mine Workers have been forced to sever this relationship and are operating non-union. From 70 per cent of the national soft coal production, the United Mine Workers have fallen to less than 25 per cent. This has been caused by the stubborn attempt of the United Mine Workers to force individual



miners and individual mines to lay idle or go out of business in order to support a high wage scale for other more fortunately situated mines. No one ever did do this indefinitely, and no one ever will. Men will not allow their wives and families to suffer indefinitely in order to provide more wages and more luxuries for the wives and families of other men.

(5). The operators have made every effort, spent thousands of dollars, months of time, and were assisted by your officers, in fighting for equitable freight rates, but have been thwarted in their efforts by the refusal of the mine workers to first set their own house in order before attempting to regulate freight rates.

(6). Indiana mines signing individual contracts are working steadily only because other Indiana and Illinois mines are idle fighting to maintain a wage scale for them.

(7). In this connection, the following question in Statement Number Thirteen remains unanswered: "Also, you will want to know just how sure your officers are that all of the shaft mines in operation are paying the Jacksonville scale and observing without modification of any kind the contract conditions which you and your families are suffering to maintain."

(8). In the year ending September 30th, 1920, with a lower wage scale, the shaft miners in Indiana received \$11,-432,241.33 more in wages than they did in the year ending September 30th, 1926, with a higher wage scale.

(9). The officers of District No. 11 and the International Officers of the United Mine Workers of America have not advanced one constructive thought or one effective suggestion for improving the situation of the shaft coal miners of Indiana.

(10). The officers of District No. 11 are neither in position nor frame of mind to attempt to negotiate a practical, workable, competitive wage scale which will allow these mines to operate and furnish employment to their membership.

*The Indiana Bituminous Coal Operators Association has no quarrel with the miners, their officers nor their union. They are simply trying to place the facts squarely before the individual miner as he alone must always be the judge—must, through his representatives, be responsible for the policy of the District and the International Union. The individual miner derives the benefit from a constructive policy, and he and his family suffer from the effects of an improper policy. The hard-working, home-loving miner with a family must think about these things for himself. He must decide whether he and his family are better off in the long run with a fair wage and steady work in a live, prosperous, advancing industry, or whether he is better off with an impractical, unworkable, non-competitive wage scale in a steadily declining industry with intermittent work a part of the time, and constantly recurring suspensions and strikes the balance of the time. He alone must decide whether he is satisfied to work hard, buy his home and build up a savings account one year and have it entirely wiped out the following year by a long suspension in mining plus the additional danger at all times of having the mine at which he is employed become bankrupt and throw him entirely out of employment.*

The officers of the union are elected and retain their positions for the sole purpose of serving all of the individual miners. The miner must do his own thinking. He must form his own conclusions, and he must insist that the actions of his officers accurately reflect his conclusions. He should attend every meeting of his local union and fearlessly demand a voice in his own welfare. When this is done, there will be no place for steam-roller tactics in the local union, the District Board, or the International Board. *Rigid domination will give way to safe, sane, equitable, constructive policies which will put an end forever to strikes, lockouts and suspensions. When this happens, contracts between the operators and the United Mine Workers of America will be worked out along economic lines, the policy of the operators and the policy of the miners being formulated by the interested operators and the interested miners in each district.*

The reason there is no contract today and the mines are idle, is that the policy of the miners is being dictated by a Convention, made up of delegates the majority of whom have long since lost all contact with the operators in their respective districts. They are forcing wage scale and contract conditions upon Indiana which they utterly failed

*The Truth About Coal Mining in Indiana*

---

to obtain in their own districts. The operators firmly believe that if paid officials of the United Mine Workers representing districts which have gone non-union long ago, lost their power to dominate joint conferences in Indiana, we could really negotiate a contract with the United Mine Workers of America in Indiana through their own accredited representatives, and not only put an end to this strike but prevent such strikes in the future.

INDIANA BITUMINOUS COAL  
OPERATORS ASSOCIATION

Opera House Block  
Terre Haute, Indiana



## The Operators' Position

The Indiana Bituminous Coal Operators Association is ready and willing to come into a joint conference, free, unhampered, unbiased and wholly uninstructed. We are not tied to the Ohio sliding scale, nor the 1917 scale, nor any other scale or contract conditions, and have not been since April 1st, 1927.

We are ready and willing to listen to and give serious consideration to any and all propositions made by your representatives. We are ready and willing to either accept your propositions, or give you good and sufficient reasons why they are not acceptable. We would expect to be free to propose anything we chose and have your representatives equally ready and willing to listen and carefully consider each point, and be free to either accept or give good and sufficient reasons why they were not acceptable.

We are ready and willing to make an earnest effort through our representatives to reach an equitable agreement on wage scales and contract conditions. If a real joint conference between our representatives should fail to result in an agreement, we are ready and willing to submit all points of difference to the judgment of disinterested parties, selected in any fair and equitable manner.

In other words, we understand negotiations to mean absolute freedom of action by representatives of both parties, either to come to an agreement themselves or submit the points at issue to disinterested parties or to a commission of both interested and disinterested parties.

When the representatives of the miners assure us that they are ready and willing to come into a joint conference free, unhampered, unbiased and wholly uninstructed, imbued with an earnest desire to negotiate a constructive contract beneficial alike to the operators and miners of Indiana, this Association will be found ready and willing to sit down across the table in joint conference and continue their negotiations just as long as there is any hope or prospect of reaching a satisfactory settlement.

**Indiana Bituminous Coal Operators  
Association**